

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1990 Q1	1990 Q2	1990 Q3	1990 Q4	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3
<b>Index Levels:</b>																	
Total - MEI		100.000	0.770	0.776	0.784	0.790	0.798	0.805	0.812	0.818	0.826	0.830	0.835	0.840	0.848	0.852	0.855
Physician Compensation		52.466	0.758	0.764	0.770	0.778	0.784	0.791	0.796	0.803	0.809	0.812	0.816	0.823	0.830	0.833	0.835
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	0.767	0.772	0.778	0.785	0.790	0.796	0.799	0.806	0.810	0.812	0.815	0.822	0.827	0.828	0.830
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	0.720	0.728	0.737	0.745	0.759	0.772	0.783	0.789	0.805	0.812	0.821	0.826	0.845	0.854	0.860
Practice Expenses		47.534	0.783	0.790	0.799	0.804	0.813	0.820	0.829	0.834	0.844	0.850	0.856	0.859	0.867	0.872	0.877
Non-physician Compensation		18.653	0.735	0.743	0.752	0.758	0.768	0.776	0.786	0.791	0.799	0.804	0.811	0.815	0.824	0.830	0.835
Non-physician Wages		13.808	0.745	0.752	0.761	0.767	0.775	0.782	0.791	0.797	0.802	0.807	0.813	0.816	0.823	0.828	0.834
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	0.751	0.756	0.767	0.774	0.782	0.788	0.799	0.805	0.812	0.818	0.826	0.830	0.836	0.841	0.848
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	0.728	0.739	0.747	0.752	0.761	0.769	0.777	0.782	0.783	0.785	0.788	0.791	0.800	0.804	0.809
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	0.746	0.753	0.760	0.764	0.773	0.780	0.786	0.792	0.799	0.804	0.809	0.814	0.821	0.826	0.833
Services Wages*	ECI - Service Occupations (Private)	0.696	0.769	0.777	0.781	0.792	0.796	0.806	0.816	0.822	0.826	0.828	0.834	0.835	0.838	0.842	0.847
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	0.708	0.717	0.727	0.734	0.749	0.760	0.770	0.777	0.790	0.796	0.805	0.811	0.827	0.834	0.839
Other Practice Expenses		18.129	0.849	0.853	0.862	0.863	0.871	0.874	0.883	0.887	0.900	0.905	0.911	0.911	0.917	0.922	0.927
Office Expenses*	CPI - Housing	12.209	0.795	0.801	0.816	0.819	0.830	0.834	0.843	0.845	0.852	0.857	0.865	0.864	0.870	0.876	0.884
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	0.940	0.933	0.926	0.922	0.922	0.923	0.932	0.946	0.979	0.985	0.989	0.988	0.994	0.994	0.994
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.003	1.010	1.011	1.013	1.017	1.022	1.025	1.024	1.037	1.042	1.042	1.044	1.055	1.062	1.056
Drugs and Supplies		4.319	0.711	0.724	0.730	0.738	0.752	0.767	0.775	0.782	0.795	0.803	0.807	0.812	0.825	0.833	0.835
Med. Materials/Supplies*	-	2.011	0.831	0.845	0.851	0.857	0.867	0.880	0.885	0.890	0.904	0.908	0.910	0.915	0.930	0.940	0.939
Prescription Drugs*	WPI - Prescription Drugs	2.308	0.606	0.619	0.624	0.635	0.651	0.669	0.679	0.687	0.700	0.711	0.718	0.723	0.733	0.740	0.745
Other Expenses		6.433	0.782	0.791	0.801	0.811	0.823	0.829	0.837	0.845	0.852	0.858	0.863	0.870	0.878	0.882	0.886
All Other*	CPI - All Items Less Food And Energy	6.433	0.782	0.791	0.801	0.811	0.823	0.829	0.837	0.845	0.852	0.858	0.863	0.870	0.878	0.882	0.886

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1990 Q1	1990 Q2	1990 Q3	1990 Q4	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3
<b>Percent Change</b>																	
Total - MEI		100.000	3.5	3.6	3.7	3.9	3.9	3.8	3.7	3.6	3.6	3.4	3.2	3.0	2.8	2.7	2.6
Physician Compensation		52.466	3.9	4.1	4.2	4.3	4.1	3.8	3.6	3.4	3.3	3.1	2.9	2.7	2.5	2.5	2.5
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	3.5	3.7	3.8	3.8	3.6	3.4	3.1	2.8	2.7	2.5	2.3	2.1	2.0	2.0	2.0
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	5.9	6.3	6.5	6.6	6.2	6.1	6.0	5.9	6.0	5.8	5.5	5.2	4.9	4.9	4.9
Practice Expenses		47.534	3.1	3.1	3.2	3.5	3.7	3.8	3.8	3.8	3.8	3.7	3.6	3.4	3.1	2.9	2.7
Non-physician Compensation		18.653	4.6	4.8	4.9	5.0	4.9	4.8	4.6	4.4	4.3	4.1	3.8	3.4	3.2	3.1	3.1
Non-physician Wages		13.808	4.0	4.1	4.3	4.4	4.4	4.2	4.1	3.9	3.8	3.6	3.3	3.0	2.8	2.6	2.6
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	4.2	4.4	4.5	4.6	4.4	4.4	4.3	4.1	4.0	3.9	3.7	3.5	3.3	3.1	2.9
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	3.7	3.9	4.2	4.6	4.8	4.7	4.4	4.1	3.7	3.2	2.6	1.9	1.7	1.8	2.1
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	4.0	4.2	4.3	4.2	4.0	3.8	3.6	3.5	3.5	3.4	3.3	3.1	2.9	2.8	2.8
Services Wages*	ECI - Service Occupations (Private)	0.696	3.3	3.4	3.6	3.7	3.7	3.6	3.8	3.8	3.9	3.7	3.1	2.5	2.0	1.7	1.6
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	6.5	6.7	6.8	6.9	6.5	6.3	6.1	6.0	5.8	5.5	5.1	4.7	4.6	4.6	4.5
Other Practice Expenses		18.129	0.9	0.5	0.6	1.1	1.7	2.2	2.4	2.5	2.7	3.0	3.2	3.2	2.9	2.4	2.0
Office Expenses*	CPI - Housing	12.209	3.6	3.8	4.0	4.2	4.3	4.4	4.1	3.7	3.3	2.9	2.8	2.6	2.4	2.3	2.2
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	-6.7	-8.2	-8.3	-7.1	-5.3	-3.1	-1.5	0.0	2.1	4.0	5.4	5.9	4.7	3.2	1.8
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	3.6	3.0	2.7	2.3	2.0	1.7	1.4	1.2	1.4	1.6	1.7	1.9	1.9	1.8	1.7
Drugs and Supplies		4.319	6.7	7.0	6.7	6.5	6.2	5.9	5.9	5.9	5.9	5.6	5.1	4.6	4.1	3.9	3.7
Med. Materials/Supplies*	-	2.011	4.9	5.2	5.1	4.7	4.6	4.4	4.2	4.1	4.0	3.8	3.5	3.2	2.9	3.0	3.1
Prescription Drugs*	WPI - Prescription Drugs	2.308	9.0	9.2	8.8	8.6	8.1	7.8	8.1	8.2	8.1	7.7	6.9	6.1	5.4	4.9	4.4
Other Expenses		6.433	4.2	4.3	4.5	4.8	5.0	5.0	4.9	4.7	4.3	3.9	3.6	3.3	3.1	3.0	2.9
All Other*	CPI - All Items Less Food And Energy	6.433	4.2	4.3	4.5	4.8	5.0	5.0	4.9	4.7	4.3	3.9	3.6	3.3	3.1	3.0	2.9

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
<b>Index Levels:</b>																	
Total - MEI		100.000	0.860	0.868	0.870	0.873	0.877	0.880	0.879	0.882	0.887	0.893	0.897	0.901	0.906	0.913	0.916
Physician Compensation		52.466	0.843	0.851	0.851	0.853	0.860	0.864	0.864	0.867	0.875	0.879	0.883	0.887	0.896	0.904	0.906
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	0.838	0.845	0.844	0.845	0.854	0.857	0.857	0.861	0.870	0.875	0.879	0.883	0.894	0.903	0.904
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	0.863	0.878	0.883	0.888	0.887	0.894	0.896	0.897	0.900	0.903	0.906	0.908	0.912	0.915	
Practice Expenses		47.534	0.879	0.887	0.890	0.896	0.896	0.897	0.896	0.899	0.901	0.908	0.911	0.916	0.917	0.922	0.926
Non-physician Compensation		18.653	0.839	0.848	0.853	0.858	0.860	0.866	0.868	0.872	0.875	0.882	0.886	0.893	0.894	0.901	0.907
Non-physician Wages		13.808	0.838	0.843	0.848	0.853	0.856	0.860	0.862	0.866	0.870	0.879	0.884	0.890	0.892	0.900	0.907
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	0.851	0.856	0.861	0.865	0.868	0.870	0.873	0.877	0.881	0.891	0.896	0.900	0.900	0.907	0.915
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	0.814	0.818	0.823	0.830	0.831	0.838	0.839	0.843	0.849	0.857	0.862	0.874	0.875	0.886	0.892
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	0.838	0.844	0.849	0.854	0.856	0.863	0.864	0.868	0.873	0.880	0.883	0.890	0.893	0.902	0.908
Services Wages*	ECI - Service Occupations (Private)	0.696	0.848	0.855	0.857	0.860	0.867	0.869	0.870	0.874	0.876	0.881	0.885	0.891	0.901	0.906	0.911
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	0.843	0.861	0.867	0.873	0.874	0.883	0.886	0.887	0.886	0.891	0.894	0.899	0.899	0.905	0.908
Other Practice Expenses		18.129	0.926	0.932	0.934	0.940	0.936	0.932	0.925	0.928	0.927	0.934	0.936	0.941	0.940	0.943	0.945
Office Expenses*	CPI - Housing	12.209	0.882	0.890	0.893	0.899	0.895	0.901	0.904	0.911	0.911	0.919	0.923	0.931	0.930	0.939	0.941
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	0.993	1.000	0.998	1.006	1.003	0.963	0.923	0.911	0.909	0.910	0.908	0.908	0.907	0.906	0.908
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.058	1.058	1.057	1.056	1.054	1.059	1.057	1.061	1.058	1.069	1.066	1.060	1.062	1.041	1.042
Drugs and Supplies		4.319	0.837	0.848	0.849	0.856	0.856	0.857	0.860	0.859	0.870	0.872	0.877	0.876	0.873	0.883	0.886
Med. Materials/Supplies*	-	2.011	0.941	0.951	0.950	0.968	0.964	0.964	0.962	0.958	0.968	0.973	0.975	0.969	0.963	0.973	0.977
Prescription Drugs*	WPI - Prescription Drugs	2.308	0.747	0.757	0.762	0.759	0.761	0.763	0.770	0.773	0.785	0.785	0.791	0.795	0.794	0.805	0.808
Other Expenses		6.433	0.893	0.898	0.902	0.906	0.909	0.916	0.920	0.922	0.927	0.933	0.936	0.939	0.944	0.950	0.954
All Other*	CPI - All Items Less Food And Energy	6.433	0.893	0.898	0.902	0.906	0.909	0.916	0.920	0.922	0.927	0.933	0.936	0.939	0.944	0.950	0.954

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
<b>Percent Change</b>																	
Total - MEI		100.000	2.5	2.5	2.4	2.3	2.1	1.9	1.6	1.4	1.2	1.2	1.4	1.7	1.9	2.1	2.1
Physician Compensation		52.466	2.5	2.5	2.4	2.3	2.2	2.0	1.8	1.7	1.6	1.6	1.8	2.0	2.2	2.5	2.6
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	2.0	2.0	2.0	2.0	2.0	1.8	1.7	1.7	1.7	1.8	2.1	2.2	2.5	2.8	2.9
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	4.9	4.6	4.1	3.7	3.3	2.8	2.3	1.7	1.3	1.0	0.9	0.9	0.9	1.1	1.2
Practice Expenses		47.534	2.6	2.5	2.3	2.2	2.1	1.8	1.4	1.0	0.7	0.7	1.0	1.3	1.6	1.7	1.7
Non-physician Compensation		18.653	3.1	3.0	2.9	2.9	2.7	2.5	2.3	2.0	1.8	1.7	1.8	2.0	2.1	2.2	2.3
Non-physician Wages		13.808	2.7	2.6	2.5	2.4	2.3	2.2	2.0	1.8	1.7	1.8	2.0	2.3	2.5	2.6	2.6
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	2.7	2.6	2.4	2.3	2.2	2.0	1.8	1.6	1.5	1.6	2.0	2.3	2.5	2.3	2.2
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	2.5	2.5	2.6	2.5	2.3	2.4	2.3	2.0	2.0	2.0	2.2	2.7	2.9	3.2	3.4
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	2.8	2.8	2.8	2.7	2.5	2.4	2.2	2.0	1.9	1.8	1.9	2.2	2.3	2.4	2.5
Services Wages*	ECI - Service Occupations (Private)	0.696	1.6	1.7	1.7	1.8	1.9	1.8	1.7	1.7	1.5	1.4	1.4	1.5	1.9	2.3	2.7
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	4.5	4.3	4.1	4.0	3.9	3.5	3.1	2.5	2.0	1.5	1.2	1.2	1.1	1.3	1.5
Other Practice Expenses		18.129	1.8	1.7	1.6	1.5	1.4	0.9	0.4	-0.3	-0.8	-0.7	-0.2	0.4	1.0	1.2	1.2
Office Expenses*	CPI - Housing	12.209	2.2	2.2	2.1	2.0	1.8	1.6	1.4	1.3	1.4	1.6	1.8	2.0	2.1	2.2	2.1
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	0.8	0.6	0.5	0.7	0.8	-0.3	-2.2	-4.9	-7.5	-8.0	-6.6	-4.3	-1.9	-0.6	-0.2
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.6	1.2	0.6	0.3	-0.1	-0.2	0.0	0.1	0.2	0.4	0.6	0.5	0.5	-0.4	-1.1
Drugs and Supplies		4.319	3.5	3.3	2.8	2.6	2.4	1.9	1.8	1.2	1.1	1.3	1.5	1.9	1.5	1.4	1.1
Med. Materials/Supplies*	-	2.011	3.1	2.9	2.3	2.3	2.2	2.0	2.0	1.0	0.5	0.4	0.4	0.9	0.7	0.5	0.2
Prescription Drugs*	WPI - Prescription Drugs	2.308	4.0	3.7	3.4	2.9	2.5	1.9	1.4	1.4	1.7	2.2	2.6	2.9	2.4	2.3	2.1
Other Expenses		6.433	2.8	2.6	2.5	2.3	2.2	2.1	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.8
All Other*	CPI - All Items Less Food And Energy	6.433	2.8	2.6	2.5	2.3	2.2	2.1	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.8

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1997 Q3	1997 Q4	1998 Q1	1998 Q2	1998 Q3	1998 Q4	1999 Q1	1999 Q2	1999 Q3	1999 Q4	2000 Q1	2000 Q2	2000 Q3	2000 Q4	2001 Q1
<b>Index Levels:</b>																	
Total - MEI		100.000	0.920	0.929	0.937	0.942	0.948	0.955	0.960	0.965	0.972	0.979	0.990	0.996	1.003	1.012	1.023
Physician Compensation		52.466	0.911	0.925	0.932	0.936	0.940	0.951	0.957	0.962	0.967	0.978	0.989	0.995	1.001	1.015	1.023
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	0.910	0.925	0.934	0.936	0.941	0.953	0.960	0.965	0.970	0.981	0.990	0.994	1.000	1.015	1.022
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	0.918	0.923	0.927	0.932	0.936	0.939	0.941	0.949	0.956	0.965	0.986	0.996	1.006	1.011	1.028
Practice Expenses		47.534	0.931	0.934	0.942	0.950	0.957	0.960	0.965	0.969	0.977	0.981	0.990	0.997	1.005	1.009	1.022
Non-physician Compensation		18.653	0.914	0.921	0.929	0.935	0.943	0.946	0.952	0.960	0.967	0.974	0.986	0.997	1.005	1.011	1.025
Non-physician Wages		13.808	0.915	0.923	0.931	0.937	0.947	0.950	0.957	0.965	0.971	0.978	0.987	0.997	1.005	1.011	1.022
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	0.922	0.928	0.934	0.941	0.951	0.956	0.961	0.967	0.971	0.979	0.984	0.988	1.005	1.014	1.024
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	0.900	0.913	0.926	0.930	0.943	0.939	0.947	0.961	0.974	0.980	0.989	0.997	1.006	1.009	1.018
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	0.914	0.920	0.928	0.936	0.943	0.948	0.957	0.962	0.969	0.975	0.988	0.996	1.005	1.010	1.023
Services Wages*	ECI - Service Occupations (Private)	0.696	0.926	0.933	0.939	0.944	0.952	0.957	0.965	0.972	0.971	0.981	0.989	0.998	1.003	1.011	1.019
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	0.910	0.917	0.924	0.928	0.933	0.937	0.938	0.946	0.955	0.962	0.985	0.997	1.007	1.012	1.033
Other Practice Expenses		18.129	0.950	0.948	0.951	0.953	0.961	0.963	0.969	0.972	0.981	0.982	0.991	0.995	1.006	1.008	1.024
Office Expenses*	CPI - Housing	12.209	0.948	0.947	0.952	0.957	0.964	0.962	0.967	0.972	0.979	0.977	0.988	0.995	1.008	1.010	1.026
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	0.909	0.907	0.906	0.904	0.918	0.934	0.950	0.950	0.973	0.987	0.995	0.993	1.006	1.006	1.029
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.044	1.036	1.028	1.022	1.022	1.022	1.021	1.016	1.007	1.003	1.003	1.000	0.999	0.999	1.005
Drugs and Supplies		4.319	0.888	0.893	0.926	0.975	0.980	0.986	0.978	0.981	0.990	0.992	0.997	0.998	1.000	1.005	1.013
Med. Materials/Supplies*	-	2.011	0.977	0.979	0.988	0.983	0.981	0.988	0.989	0.988	0.995	0.996	1.001	0.998	0.997	1.004	1.002
Prescription Drugs*	WPI - Prescription Drugs	2.308	0.810	0.818	0.871	0.967	0.979	0.985	0.968	0.975	0.986	0.988	0.994	0.997	1.003	1.005	1.023
Other Expenses		6.433	0.954	0.959	0.964	0.968	0.971	0.975	0.979	0.983	0.984	0.988	0.993	0.999	1.002	1.006	1.012
All Other*	CPI - All Items Less Food And Energy	6.433	0.954	0.959	0.964	0.968	0.971	0.975	0.979	0.983	0.984	0.988	0.993	0.999	1.002	1.006	1.012

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	1997 Q3	1997 Q4	1998 Q1	1998 Q2	1998 Q3	1998 Q4	1999 Q1	1999 Q2	1999 Q3	1999 Q4	2000 Q1	2000 Q2	2000 Q3	2000 Q4	2001 Q1
<b>Percent Change</b>																	
Total - MEI		100.000	2.2	2.3	2.4	2.6	2.8	2.8	2.8	2.7	2.6	2.5	2.6	2.8	3.0	3.2	3.3
Physician Compensation		52.466	2.7	2.8	2.9	3.1	3.2	3.1	3.0	2.8	2.8	2.8	3.0	3.1	3.3	3.5	3.5
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	3.0	3.2	3.2	3.4	3.5	3.4	3.2	3.1	3.0	2.9	3.0	3.0	3.1	3.2	3.3
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	1.3	1.4	1.5	1.6	1.8	1.8	1.8	1.8	1.8	2.1	2.9	3.7	4.4	4.9	4.8
Practice Expenses		47.534	1.6	1.7	1.8	2.1	2.4	2.6	2.7	2.5	2.3	2.2	2.2	2.4	2.6	2.8	2.9
Non-physician Compensation		18.653	2.3	2.5	2.7	2.9	3.1	3.0	2.9	2.8	2.6	2.7	2.9	3.2	3.6	3.8	3.9
Non-physician Wages		13.808	2.6	2.8	3.0	3.2	3.4	3.3	3.1	3.0	2.8	2.8	2.9	3.0	3.2	3.3	3.5
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	2.2	2.4	2.7	2.9	3.0	3.0	3.0	2.9	2.7	2.6	2.4	2.5	2.9	3.1	3.5
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	3.2	3.5	3.8	4.0	4.5	4.1	3.6	3.3	2.9	3.3	3.8	3.9	3.9	3.6	3.2
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	2.6	2.7	2.8	2.9	3.0	3.1	3.1	3.0	2.9	2.9	2.9	3.1	3.4	3.5	3.6
Services Wages*	ECI - Service Occupations (Private)	0.696	3.2	3.4	3.6	3.7	3.4	3.1	2.9	2.8	2.6	2.6	2.5	2.4	2.7	2.8	3.0
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	1.4	1.5	1.7	1.9	2.2	2.3	2.1	2.1	2.0	2.1	3.0	3.8	4.6	5.2	5.2
Other Practice Expenses		18.129	1.1	1.0	0.9	0.9	0.9	1.1	1.4	1.7	1.9	2.0	2.1	2.2	2.3	2.4	2.7
Office Expenses*	CPI - Housing	12.209	2.0	1.9	1.7	1.7	1.6	1.7	1.6	1.6	1.5	1.7	1.9	1.9	2.3	2.7	3.1
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	-0.2	-0.1	0.0	-0.1	0.2	0.9	2.2	3.5	4.7	5.4	5.3	5.2	4.5	3.6	3.3
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-1.5	-2.2	-1.9	-1.8	-2.0	-1.7	-1.5	-1.2	-1.0	-1.1	-1.4	-1.7	-1.5	-1.2	-0.7
Drugs and Supplies		4.319	1.0	1.5	2.4	4.6	6.9	8.9	9.1	6.6	4.3	1.9	1.1	1.3	1.3	1.5	1.4
Med. Materials/Supplies*	-	2.011	0.1	0.7	1.0	1.2	1.1	0.9	0.5	0.5	0.7	0.7	1.0	1.1	0.8	0.8	0.5
Prescription Drugs*	WPI - Prescription Drugs	2.308	1.9	2.4	3.8	8.3	13.0	17.3	17.9	12.7	7.7	3.0	1.2	1.5	1.8	2.1	2.1
Other Expenses		6.433	1.8	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.4	1.4	1.4	1.6	1.7	1.8
All Other*	CPI - All Items Less Food And Energy	6.433	1.8	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.4	1.4	1.4	1.6	1.7	1.8

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	2001 Q2	2001 Q3	2001 Q4	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4
<b>Index Levels:</b>																	
Total - MEI		100.000	1.028	1.035	1.042	1.053	1.056	1.063	1.069	1.092	1.094	1.099	1.103	1.122	1.127	1.131	1.136
Physician Compensation		52.466	1.028	1.034	1.044	1.050	1.052	1.058	1.070	1.081	1.079	1.083	1.090	1.099	1.102	1.106	1.115
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	1.027	1.031	1.041	1.045	1.045	1.051	1.064	1.071	1.066	1.068	1.075	1.078	1.078	1.081	1.090
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	1.037	1.047	1.055	1.069	1.081	1.089	1.096	1.125	1.137	1.148	1.155	1.192	1.208	1.215	1.223
Practice Expenses		47.534	1.028	1.036	1.040	1.056	1.061	1.068	1.069	1.105	1.111	1.117	1.117	1.147	1.154	1.159	1.160
Non-physician Compensation		18.653	1.033	1.042	1.048	1.058	1.065	1.069	1.071	1.086	1.092	1.100	1.104	1.115	1.122	1.129	1.133
Non-physician Wages		13.808	1.029	1.036	1.043	1.051	1.056	1.060	1.061	1.071	1.076	1.083	1.085	1.091	1.095	1.102	1.104
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	1.030	1.039	1.044	1.047	1.050	1.053	1.052	1.057	1.061	1.069	1.072	1.081	1.084	1.095	1.095
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	1.028	1.030	1.038	1.053	1.066	1.068	1.067	1.094	1.100	1.107	1.108	1.107	1.112	1.116	1.118
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	1.030	1.039	1.045	1.055	1.059	1.064	1.068	1.075	1.081	1.086	1.087	1.095	1.101	1.106	1.110
Services Wages*	ECI - Service Occupations (Private)	0.696	1.025	1.031	1.043	1.050	1.053	1.059	1.060	1.065	1.067	1.071	1.073	1.075	1.078	1.079	1.082
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	1.045	1.056	1.065	1.077	1.090	1.095	1.101	1.130	1.138	1.149	1.156	1.185	1.200	1.207	1.217
Other Practice Expenses		18.129	1.028	1.044	1.044	1.073	1.077	1.089	1.085	1.162	1.171	1.176	1.172	1.234	1.242	1.247	1.242
Office Expenses*	CPI - Housing	12.209	1.033	1.039	1.032	1.039	1.046	1.053	1.049	1.059	1.064	1.068	1.063	1.070	1.080	1.087	1.084
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	1.027	1.082	1.101	1.210	1.208	1.242	1.241	1.559	1.582	1.592	1.594	1.857	1.863	1.862	1.859
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.004	1.004	1.004	1.011	1.014	1.013	1.011	1.032	1.034	1.033	1.029	1.034	1.036	1.039	1.024
Drugs and Supplies		4.319	1.014	1.004	1.011	1.018	1.020	1.024	1.033	1.042	1.046	1.053	1.062	1.072	1.082	1.083	1.088
Med. Materials/Supplies*	-	2.011	1.003	0.998	1.008	1.006	1.003	1.001	1.005	1.009	1.003	1.005	1.015	1.022	1.019	1.020	1.023
Prescription Drugs*	WPI - Prescription Drugs	2.308	1.024	1.009	1.014	1.029	1.036	1.044	1.057	1.072	1.082	1.095	1.103	1.116	1.137	1.139	1.144
Other Expenses		6.433	1.018	1.021	1.025	1.030	1.034	1.036	1.038	1.039	1.040	1.040	1.040	1.043	1.049	1.048	1.052
All Other*	CPI - All Items Less Food And Energy	6.433	1.018	1.021	1.025	1.030	1.034	1.036	1.038	1.039	1.040	1.040	1.040	1.043	1.049	1.048	1.052

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	2001 Q2	2001 Q3	2001 Q4	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4
<b>Percent Change</b>																	
Total - MEI		100.000	3.3	3.3	3.2	3.1	3.0	2.8	2.7	3.0	3.2	3.3	3.5	3.2	3.1	2.9	2.9
Physician Compensation		52.466	3.5	3.5	3.2	3.0	2.7	2.5	2.4	2.5	2.6	2.6	2.4	2.1	2.0	2.0	2.1
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	3.3	3.3	3.0	2.7	2.4	2.1	2.0	2.1	2.2	2.1	1.8	1.3	1.1	1.0	1.1
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	4.6	4.3	4.2	4.1	4.2	4.1	4.0	4.3	4.5	4.9	5.3	5.5	5.8	5.9	6.0
Practice Expenses		47.534	3.0	3.1	3.1	3.2	3.2	3.2	3.1	3.4	3.8	4.2	4.6	4.4	4.2	4.0	3.8
Non-physician Compensation		18.653	3.8	3.7	3.7	3.5	3.4	3.1	2.8	2.7	2.5	2.6	2.8	2.8	2.8	2.8	2.7
Non-physician Wages		13.808	3.4	3.3	3.3	3.1	2.9	2.7	2.4	2.1	2.0	1.9	2.1	2.0	2.0	1.9	1.8
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	3.6	3.5	3.4	3.0	2.6	2.1	1.6	1.2	1.0	1.1	1.3	1.7	2.0	2.2	2.2
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	3.1	2.8	2.8	3.0	3.1	3.4	3.4	3.5	3.4	3.4	3.6	2.9	2.4	1.7	1.0
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	3.6	3.5	3.4	3.3	3.2	2.9	2.6	2.3	2.1	2.1	1.9	1.9	1.9	1.8	1.9
Services Wages*	ECI - Service Occupations (Private)	0.696	3.0	2.9	3.0	2.9	2.9	2.9	2.5	2.1	1.8	1.4	1.2	1.1	1.1	1.0	0.9
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	5.1	4.9	5.0	4.8	4.7	4.4	3.9	4.1	4.1	4.4	4.8	4.8	5.1	5.1	5.2
Other Practice Expenses		18.129	3.0	3.3	3.5	3.9	4.2	4.3	4.4	5.4	6.4	7.3	8.3	7.7	7.0	6.5	6.1
Office Expenses*	CPI - Housing	12.209	3.5	3.5	3.2	2.6	2.0	1.5	1.4	1.5	1.6	1.6	1.6	1.4	1.4	1.4	1.6
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	3.0	4.1	6.0	9.6	13.1	14.9	15.6	18.8	22.2	25.5	29.1	26.2	22.8	20.1	17.6
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-0.2	0.2	0.4	0.5	0.7	0.8	0.8	1.2	1.4	1.7	1.9	1.5	1.0	0.7	0.1
Drugs and Supplies		4.319	1.4	1.2	1.1	0.8	0.5	0.9	1.3	1.8	2.2	2.5	2.6	2.8	3.0	3.0	2.9
Med. Materials/Supplies*	-	2.011	0.4	0.3	0.3	0.3	0.2	0.3	0.1	0.1	0.1	0.1	0.5	0.7	1.1	1.3	1.3
Prescription Drugs*	WPI - Prescription Drugs	2.308	2.3	2.0	1.7	1.2	0.8	1.5	2.3	3.2	4.1	4.5	4.5	4.5	4.6	4.4	4.2
Other Expenses		6.433	1.9	1.9	1.9	1.9	1.8	1.7	1.5	1.3	1.0	0.8	0.5	0.4	0.4	0.6	0.8
All Other*	CPI - All Items Less Food And Energy	6.433	1.9	1.9	1.9	1.9	1.8	1.7	1.5	1.3	1.0	0.8	0.5	0.4	0.4	0.6	0.8

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3
<b>Index Levels:</b>																	
Total - MEI		100.000	1.152	1.156	1.161	1.167	1.177	1.181	1.188	1.198	1.206	1.211	1.218	1.226	1.233	1.238	1.243
Physician Compensation		52.466	1.124	1.126	1.131	1.141	1.154	1.157	1.163	1.175	1.182	1.185	1.190	1.200	1.205	1.208	1.213
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	1.096	1.096	1.101	1.114	-	-	-	-	-	-	-	-	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	1.249	1.256	1.263	1.263	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		47.534	1.182	1.188	1.193	1.196	1.203	1.208	1.216	1.222	1.232	1.240	1.249	1.253	1.263	1.270	1.277
Non-physician Compensation		18.653	1.146	1.151	1.156	1.157	1.167	1.174	1.181	1.187	1.196	1.203	1.209	1.213	1.222	1.229	1.235
Non-physician Wages		13.808	1.110	1.114	1.117	1.119	1.126	1.131	1.138	1.142	1.149	1.155	1.161	1.165	1.172	1.178	1.185
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	1.101	1.103	1.108	1.109	-	-	-	-	-	-	-	-	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	1.125	1.131	1.130	1.133	-	-	-	-	-	-	-	-	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	1.115	1.122	1.124	1.127	-	-	-	-	-	-	-	-	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	1.085	1.089	1.092	1.095	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	1.248	1.256	1.265	1.265	-	-	-	-	-	-	-	-	-	-	-
Other Practice Expenses		18.129	1.285	1.292	1.296	1.299	1.304	1.309	1.318	1.325	1.339	1.350	1.365	1.371	1.385	1.395	1.406
Office Expenses*	CPI - Housing	12.209	1.093	1.102	1.111	1.117	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	2.027	2.030	2.025	2.020	2.011	2.017	2.035	2.068	2.109	2.152	2.200	2.248	2.297	2.338	2.369
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	1.034	1.032	1.027	1.024	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		4.319	1.094	1.102	1.120	1.126	1.135	1.140	1.149	1.162	1.168	1.173	1.177	1.184	1.190	1.195	1.198
Med. Materials/Supplies*		2.011	1.020	1.017	1.015	1.023	-	-	-	-	-	-	-	-	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	1.159	1.177	1.212	1.215	-	-	-	-	-	-	-	-	-	-	-
Other Expenses		6.433	1.057	1.062	1.061	1.064	-	-	-	-	-	-	-	-	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	1.057	1.062	1.061	1.064	-	-	-	-	-	-	-	-	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2005 Q1	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3
<b>Percent Change</b>																	
Total - MEI		100.000	2.9	2.8	2.7	2.6	2.5	2.4	2.4	2.3	2.4	2.5	2.5	2.4	2.4	2.3	2.2
Physician Compensation		52.466	2.2	2.2	2.3	2.3	2.4	2.5	2.7	2.8	2.7	2.5	2.3	2.2	2.1	2.0	-
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	1.3	1.5	1.7	1.8	-	-	-	-	-	-	-	-	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	5.7	5.1	4.6	4.0	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		47.534	3.6	3.4	3.2	3.0	2.7	2.4	2.1	1.9	2.1	2.3	2.5	2.6	2.6	2.5	2.4
Non-physician Compensation		18.653	2.7	2.7	2.6	2.4	2.2	2.1	2.0	2.2	2.3	2.4	2.5	2.4	2.3	2.2	2.2
Non-physician Wages		13.808	1.8	1.8	1.7	1.6	1.5	1.4	1.5	1.7	1.9	2.0	2.1	2.0	2.0	2.0	2.0
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	2.1	2.0	1.7	1.5	-	-	-	-	-	-	-	-	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	1.1	1.3	1.4	1.5	-	-	-	-	-	-	-	-	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	1.9	1.9	1.9	1.7	-	-	-	-	-	-	-	-	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	0.9	0.9	1.0	1.1	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	5.3	5.1	5.0	4.7	-	-	-	-	-	-	-	-	-	-	-
Other Practice Expenses		18.129	5.5	5.0	4.5	4.2	3.5	2.8	2.2	1.6	1.9	2.4	2.9	3.2	3.4	3.4	3.3
Office Expenses*	CPI - Housing	12.209	1.9	2.0	2.1	2.3	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	14.9	12.6	10.7	8.9	6.2	3.8	1.8	0.4	1.8	3.6	5.5	7.1	8.1	8.6	8.5
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	0.1	-0.1	-0.5	-0.4	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		4.319	2.7	2.3	2.4	2.7	3.1	3.5	3.3	3.2	3.0	2.9	2.9	2.5	2.3	2.0	1.9
Med. Materials/Supplies*		2.011	0.9	0.4	-0.1	-0.2	-	-	-	-	-	-	-	-	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	4.1	3.8	4.4	5.0	-	-	-	-	-	-	-	-	-	-	-
Other Expenses		6.433	1.0	1.1	1.2	1.2	-	-	-	-	-	-	-	-	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	1.0	1.1	1.2	1.2	-	-	-	-	-	-	-	-	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
<b>Index Levels:</b>																	
Total - MEI		100.000	1.251	1.257	1.261	1.267	1.274	1.281	1.286	1.292	1.300	1.307	1.312	1.319	1.328	1.336	1.341
Physician Compensation		52.466	1.224	1.229	1.231	1.236	1.247	1.252	1.255	1.260	1.272	1.278	1.281	1.287	1.299	1.305	1.308
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		47.534	1.280	1.288	1.294	1.301	1.304	1.313	1.320	1.327	1.330	1.339	1.347	1.355	1.359	1.369	1.378
Non-physician Compensation		18.653	1.239	1.248	1.255	1.261	1.265	1.274	1.281	1.288	1.293	1.303	1.310	1.317	1.322	1.332	1.341
Non-physician Wages		13.808	1.189	1.196	1.201	1.207	1.211	1.219	1.225	1.231	1.236	1.243	1.249	1.256	1.261	1.268	1.275
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Practice Expenses		18.129	1.407	1.418	1.425	1.434	1.437	1.449	1.458	1.470	1.473	1.484	1.494	1.507	1.512	1.526	1.538
Office Expenses*	CPI - Housing	12.209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	2.394	2.420	2.443	2.467	2.495	2.530	2.562	2.593	2.622	2.655	2.689	2.728	2.766	2.809	2.850
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		4.319	1.204	1.208	1.213	1.213	1.218	1.220	1.222	1.220	1.223	1.227	1.233	1.232	1.237	1.242	1.248
Med. Materials/Supplies*		2.011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses		6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
<b>Percent Change</b>																	
Total - MEI		100.000	2.2	2.1	2.0	2.0	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.1	2.1	2.2
Physician Compensation		52.466	2.0	2.0	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.1	2.1	
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Practice Expenses		47.534	2.3	2.2	2.1	2.0	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.1	2.1	2.2	
Non-physician Compensation		18.653	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.3	2.3	
Non-physician Wages		13.808	2.1	2.1	2.0	2.0	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Practice Expenses		18.129	3.1	2.8	2.5	2.3	2.1	2.1	2.2	2.3	2.4	2.4	2.5	2.5	2.5	2.6	2.7
Office Expenses*	CPI - Housing	12.209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	7.9	7.0	6.0	5.1	4.5	4.3	4.4	4.7	4.9	5.0	5.0	5.1	5.2	5.4	5.6
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Drugs and Supplies		4.319	1.8	1.7	1.6	1.5	1.3	1.2	1.0	0.9	0.7	0.6	0.6	0.7	0.9	1.0	1.1
Med. Materials/Supplies*		2.011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Expenses		6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	Forecast 2016 Q1
<b>Index Levels:</b>																	
Total - MEI		100.000	1.349	1.358	1.367	1.373	1.380	1.389	1.398	1.404	1.412	1.422	1.432	1.438	1.446	1.456	1.467
Physician Compensation		52.466	1.314	1.327	1.334	1.337	1.343	1.356	1.363	1.366	1.373	1.386	1.394	1.397	1.404	1.418	1.426
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		47.534	1.387	1.393	1.404	1.413	1.421	1.426	1.437	1.446	1.456	1.462	1.474	1.483	1.492	1.498	1.511
Non-physician Compensation		18.653	1.348	1.354	1.365	1.373	1.380	1.386	1.397	1.405	1.413	1.419	1.431	1.439	1.448	1.454	1.467
Non-physician Wages		13.808	1.282	1.287	1.295	1.302	1.309	1.314	1.323	1.329	1.337	1.343	1.351	1.358	1.366	1.371	1.381
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Practice Expenses		18.129	1.552	1.559	1.575	1.587	1.601	1.606	1.621	1.634	1.649	1.655	1.672	1.685	1.700	1.707	1.724
Office Expenses*	CPI - Housing	12.209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	2.893	2.937	2.984	3.025	3.065	3.106	3.151	3.195	3.240	3.284	3.333	3.378	3.423	3.469	3.519
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		4.319	1.250	1.257	1.261	1.267	1.268	1.275	1.280	1.286	1.290	1.297	1.302	1.309	1.312	1.319	1.325
Med. Materials/Supplies*		2.011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses		6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	Forecast														
			2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	Forecast 2016 Q1
<b>Percent Change</b>																	
Total - MEI		100.000	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.4	2.4	2.4	2.4
Physician Compensation		52.466	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		47.534	2.3	2.4	2.4	2.5	2.5	2.5	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.5
Non-physician Compensation		18.653	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Non-physician Wages		13.808	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.2
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Practice Expenses		18.129	2.9	3.0	3.1	3.1	3.2	3.1	3.1	3.0	3.0	3.0	3.0	3.1	3.1	3.1	3.1
Office Expenses*	CPI - Housing	12.209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	5.8	6.0	6.1	6.2	6.1	6.0	5.9	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.6
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		4.319	1.2	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.7	1.7	1.7	1.7	1.7
Med. Materials/Supplies*		2.011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses		6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

Quarterly Index Levels in the CMS Medicare Economic Index using Global Insight Inc. Forecast Assumptions, by  
Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	2016 Q2	2016 Q3	2016 Q4
<b>Index Levels:</b>					
Total - MEI		100.000	1.474	1.484	1.495
Physician Compensation		52.466	1.431	1.439	1.454
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-
Practice Expenses		47.534	1.522	1.533	1.539
Non-physician Compensation		18.653	1.476	1.486	1.493
Non-physician Wages		13.808	1.389	1.398	1.404
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-
Other Practice Expenses		18.129	1.738	1.757	1.763
Office Expenses*	CPI - Housing	12.209	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	3.568	3.621	3.661
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-
Drugs and Supplies		4.319	1.333	1.337	1.344
Med. Materials/Supplies*	-	2.011	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-
Other Expenses		6.433	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using Global Insight Inc.  
Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2000	2016 Q2	2016 Q3	2016 Q4
<b>Percent Change</b>					
Total - MEI		100.000	2.4	2.5	2.6
Physician Compensation		52.466	2.3	2.4	2.5
Wages & Salaries*	AHE - Private Nonagricultural (Esit)	42.730	-	-	-
Benefits*	ECI - Benefits, Private Industry Workers (ECI)	9.735	-	-	-
Practice Expenses		47.534	2.5	2.6	2.7
Non-physician Compensation		18.653	2.5	2.5	2.6
Non-physician Wages		13.808	2.2	2.2	2.3
Prof/Tech Wages*	ECI- Professional and Technical (Private)	5.887	-	-	-
Managers Wages*	ECI- Managers & Administrators (Private)	3.333	-	-	-
Clerical Wages*	ECI- Admin Support incl Clerical (Private)	3.892	-	-	-
Services Wages*	ECI - Service Occupations (Private)	0.696	-	-	-
Employee Benefits*	ECI - Benefits, White-Collar Occupations (ECI)	4.845	-	-	-
Other Practice Expenses		18.129	3.1	3.2	3.2
Office Expenses*	CPI - Housing	12.209	-	-	-
Prof. Liability Ins*	HCFA - Prof. Liab. Phys. Prem. Survey	3.865	5.6	5.7	5.6
Medical Equipment*	WPI - Med. Inst. & Equip.	2.055	-	-	-
Drugs and Supplies		4.319	1.8	1.8	1.9
Med. Materials/Supplies*	-	2.011	-	-	-
Prescription Drugs*	WPI - Prescription Drugs	2.308	-	-	-
Other Expenses		6.433	-	-	-
All Other*	CPI - All Items Less Food And Energy	6.433	-	-	-

\* Productivity adjusted using BLS non-farm multifactor productivity

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005